



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

**BOARD OF SUPERVISORS**

**Gloria Molina**  
First District

**Yvonne Brathwaite Burke**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

June 9, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 5 TO AGREEMENT NO. H-210828  
WITH FILE KEEPERS, INC. FOR OFF-SITE MEDICAL RECORDS AND  
X-RAY FILM STORAGE AND RETRIEVAL SERVICES  
(All Districts) (3 Votes)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Director of Health Services, or his designee, to sign Amendment No. 5 to County contract No. H-210828, substantially similar to Exhibit I, with File Keepers, Inc., for the continued provision of off-site medical records and X-ray film storage and retrieval services at various County sites located at Harbor/UCLA, Martin Luther King, Jr./Drew, and Olive View/UCLA Medical Centers, LAC+USC Healthcare Network, Public Health Centers, Health Services Administration, and Bioterrorism Preparedness Response, for a total maximum obligation of \$402,138, effective August 1, 2005 through July 31, 2006, on a month-to-month basis, offset by \$50,000 in Centers for Disease Control funds and \$352,138 in net County cost.
2. Delegate authority to the Director of Health Services, or his designee, to add other Department of Health Services' (DHS) sites that may require off-site medical records and X-ray film storage and retrieval services during the term of the agreement, and to increase the maximum obligation to add additional DHS sites by no more than 25% above the contract sum for the period of August 1, 2005 through July 31, 2006, for a potential increase of \$100,535.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving the recommended actions, the Board is providing for the continued provision of off-site medical records and X-ray film storage and retrieval services by File Keepers, Inc. (File Keepers) for various DHS sites at a total maximum contract obligation of \$402,138, and the addition of other sites under the Director's delegated authority at an estimated additional cost not to exceed 25% of the maximum obligation for the contract term for a potential increase of \$100,535.

This amendment is being requested to provide DHS time to assess the Department-wide need for these services and to issue an Invitation for Bids (IFB) to award a new agreement for the provision of off-site medical records and X-ray film storage and retrieval services.

FISCAL IMPACT/FINANCING:

During the extension period, beginning August 1, 2005 through July 31, 2006, the cost for services provided to current DHS sites are as follows: 1) Harbor/UCLA, \$95,018; 2) King/Drew, \$99,820; 3) Olive View, \$17,500, 4) LAC+USC, \$50,000; 5) Public Health Centers, \$17,100; 6) HSA, \$72,700; and 7) Bioterrorism Preparedness and Response, \$50,000, for a total maximum obligation of \$402,138, for the 12-month extension period, offset by \$50,000 in Centers for Disease Control funds and \$352,138 in net County cost.

Funding is included in the Fiscal Year 2005-06 Proposed Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The safe maintenance and storage of patient medical records and X-ray film are required by California Code of Regulations, Title 22, Section 51476. Off-site medical records and X-ray film storage and retrieval services include, but are not limited to, receiving, packaging, transporting, inventorying, filing, storing, retrieving, and destroying at County's request, such medical records and X-ray film.

On March 27, 1999, DHS released an IFB for the provision of contract services. By the April 24, 1999 bid submission deadline, a bid was received from File Keepers. File Keepers was the only company to submit a bid and DHS selected File Keepers to provide the services needed.

On September 7, 1999, the Board approved the existing agreement with File Keepers for the provision of off-site medical records and X-ray film storage and retrieval services at Harbor/UCLA and Bellflower, Norwalk, and Wilmington health centers, through August 31, 2004.

On October 15, 2002, the Board approved Amendment No. 1 which added other DHS facilities that required these services. On March 18, 2003, the Department issued Amendment No. 2 to add the most current Health Insurance Portability and Accountability Act (HIPAA) language to the Agreement.

On August 10, 2004, the Board approved Amendment No. 3 which extended the term of the Agreement, effective September 1, 2004 through July 31, 2005.

On April 20, 2005, the Department issued Amendment No. 4 to update the HIPAA language in the Agreement.

Amendment No. 5 will be effective August 1, 2005 through July 31, 2006. During the extension period, the Department will issue an IFB to award a new agreement for the provision of off-site medical records and X-ray film storage and retrieval services.

The Amendment contains the latest provisions regarding payment for services provided following expiration/termination of the contract and contractor's acknowledgment of County's commitment to the safely surrendered baby law.

The Agreement may be terminated with or without cause by the County by providing a 30-day advance written notice. The administrative staff at the various DHS sites will continue to monitor the contractor's performance to assure compliance with the terms and conditions of the Agreement.

Attachment A provides additional information.

County Counsel has approved the Amendment (Exhibit I) as to use and form.

#### CONTRACTING PROCESS:

On September 7, 1999, the Board approved the current agreement with File Keepers which was selected as a result of an IFB process to provide off-site medical records and X-ray film storage and retrieval services at Harbor/UCLA and Bellflower, Norwalk, and Wilmington health centers.

On August 10, 2004, the Board approved an amendment to allow the Department time to complete the Statement of Work and other information needed to issue an IFB to award a new agreement. The Department has been gathering this information and is currently finalizing the Statement of Work and plans to issue the IFB in the next several weeks, after approvals from County Counsel and the Chief Administrative Office - Risk Management Operations are obtained. The Department will advertise the IFB on the Los Angeles County Online Web Site and in local newspapers.

Amendment No. 5 will extend the term of the Agreement on a month-to-month basis, for up to twelve months, effective August 1, 2005 through July 31, 2006, to continue the provision of these services at the various DHS sites and provide the Department with additional time to complete the IFB process.

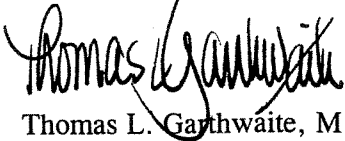
#### IMPACT OF CURRENT SERVICES (OR PROJECTS):

Approval of Amendment No. 5 will ensure the continued and uninterrupted provision of off-site medical records and X-ray film storage and retrieval services, and that patient medical records and X-ray film will be safely maintained and stored.

The Honorable Board of Supervisors  
June 9, 2005  
Page 4

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite". The signature is written in a cursive, flowing style.

Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

TLG:daz

Attachments (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller

BLETCD3905.DZ

**SUMMARY OF AMENDMENT**

1. **TYPE OF SERVICE:**

Provide off-site medical records and X-ray film storage and retrieval services at various Department of Health Services' sites.

2. **AGENCY ADDRESS AND CONTACT PERSON:**

File Keepers, Inc.  
6277 East Slauson  
Los Angeles, CA 90040-3011  
Attention: Tom McGovern, President  
Liz Rogers, Contract Liaison  
Telephone: (323) 728-3133 Ext. 320 Fax: (323) 728-1349

3. **TERM:**

The term of the Amendment will be effective on August 1, 2005 through July 31, 2006.

4. **FINANCIAL INFORMATION:**

The contract cost for services provided to the current County sites will be as follows: 1) Harbor/UCLA, \$95,018; 2) King/Drew, \$99,820; 3) Olive View, \$17,500; 4) LAC+USC, \$50,000; 5) PHCs, \$17,100; 6) HSA, \$72,700; and 7) Bioterrorism Preparedness and Response, \$50,000, for a total maximum obligation of \$402,138 for the 12-month extension period, offset by \$50,000 in Centers for Disease Control funds and \$352,138 in net County cost.

Funding is included in the Fiscal Year 2005-06 Proposed Budget and will be requested in future fiscal years.

5. **PROGRAM INFORMATION:**

Off-site medical records and X-ray film storage and retrieval services include, but are not limited to, receiving, packaging, transporting, inventorying, filing, storing, retrieving, and destroying at County's request, such medical records and X-ray film.

6. **APPROVALS:**

Harbor/UCLA Medical Center:	Tecla A. Mickoseff, Chief Executive Officer
King/Drew Medical Center:	Hank Wells, Chief Executive Officer
LAC+USC Healthcare Network:	Pete Delgado, Chief Executive Officer
Olive View/UCLA Medical Center:	Melinda D. Anderson, Chief Executive Officer
Contracts and Grants Division:	Cara O'Neill, Chief
County Counsel (as to form):	Robert E. Ragland, Senior Deputy County Counsel

**EXHIBIT I**

Contract No. H-210828

**MEDICAL RECORDS AND X-RAY FILMS STORAGE  
AND RETRIEVAL SERVICES AGREEMENT**

**AMENDMENT NO. 5**

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2005,

by and between

COUNTY OF LOS ANGELES (here-  
after "County"),

and

FILE KEEPERS, LLC. (hereafter  
"Contractor").

WHEREAS, reference is made to that certain document entitled  
"MEDICAL RECORDS AND X-RAY FILMS STORAGE AND RETRIEVAL SERVICES  
AGREEMENT", dated September 7, 1999, further identified as County  
Agreement No. H-210828 and Amendment Nos. 1, 2, 3, and 4 thereto  
(all hereafter "Agreement"); and

WHEREAS, Amendment No. 2, approved by the Board of Supervisors  
on August 10, 2005, is now identified as Amendment No. 3; and

WHEREAS, Agreement is slated to expire on July 31, 2005; and  
it is the desire of the parties hereto to extend the term of  
Agreement, on a month-to-month basis, for a maximum of twelve (12)  
months, to and including July 31, 2006, and make other hereafter  
described changes; and

WHEREAS, County intends to complete a competitive selection process (i.e., invitation for bids) to award a new contract during the contemplated extension; and

WHEREAS, Agreement provides that changes to its provisions may be made in the form of a written amendment which is formally approved and executed by both parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective August 1, 2005 and continue, on a month-to-month basis, through July 31, 2006.

2. That Exhibit G-3, "Additional Department of Health Services Facilities and Custodians of Records" and Exhibit H-3, "Additional Billing Locations", shall be added to this Agreement, as attached hereto and incorporated herein by reference.

3. That Paragraph 53.0, MAXIMUM OBLIGATION OF COUNTY, be revised and amended as follows:

"53.0 During the period effective August 1, 2005 through July 31, 2006, the maximum obligation of County for services provided under this Agreement shall not exceed Four Hundred Two Thousand, One Hundred Thirty-Eight Dollars (\$402,138). Such maximum obligation is comprised of: 1) County funds in the amount of Three Hundred Fifty-Two Thousand, One Hundred Thirty-Eight Dollars (\$352,138) and

2) Centers for Disease Control funds in the amount of Fifty Thousand Dollars (\$50,000). This sum represents the total maximum obligation of County as shown in Schedule 3, attached hereto and incorporated herein by reference.

During the term of this Agreement, if additional County sites that require off-site medical records and X-ray film storage and retrieval services request to be added to this Agreement and if sufficient monies other than the maximum obligation monies under this Agreement are available, the Director of Health Services, or his authorized designee, has delegated authority to increase the maximum obligation by an amount not to exceed 25% of the maximum obligation; i.e., One Hundred Thousand, Five Hundred Thirty-Five Dollars (\$100,535).

Any increase in the County's Maximum Obligation because of additional services requested by the County shall be accomplished by an Administrative Amendment between the Director of Health Services, or his authorized designee, and the Contractor."

4. That Paragraph 54.0, NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF CONTRACT, be added as follows:

"54.0 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF CONTRACT: Contractor shall have no



claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after the expiration/ termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement."

5. That Paragraph 55.0, NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW, be added as follows:

"55.0 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW: Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Agreement and also available on the Internet at [www.babysafelaw.org](http://www.babysafelaw.org) for printing purposes."

6. That Paragraph 56.0, CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW, be added as follows:

"56.0 CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW: Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply Contractor with the poster to be used."

7. During the term of this Amendment, Contractor shall be compensated according to the same payment provisions specified in the Agreement.

8. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

/

Director of Health Services, and Contractor has caused this  
Amendment to be subscribed in its behalf by its duly authorized  
officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Thomas L. Garthwaite, M.D.  
Director and Chief Medical  
Officer

\_\_\_\_\_  
FILE KEEPERS, INC.  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL  
RAYMOND G. FORTNER, JR.  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By \_\_\_\_\_  
Cara O'Neill, Chief  
Contracts and Grants Division

AMENDCD3904.DZ  
06/02/05

ADDITIONAL DEPARTMENT OF HEALTH SERVICES FACILITIES  
& CUSTODIANS OF RECORDS

DHS OFFICE OF HUMAN RESOURCES

5555 Ferguson Drive, Suite 120  
commerce, CA 90022  
Attention: Leslie L. Mondy  
Telephone: (323) 890-7908

PUBLIC HEALTH - BIO TERRORISM PROGRAM

241 North Figueroa Street, Suite 209  
Los Angeles, CA 90012  
Attention: Iris Salby  
Telephone: (213) 989-7153

AMENDCD3904.DZ  
06/02/05

ADDITIONAL BILLING LOCATIONS

DHS OFFICE OF HUMAN RESOURCES

5555 Ferguson Drive, Suite 120  
Commerce, CA 90022  
Attention: Leslie L. Mondy  
Telephone: (323) 890-7908

PUBLIC HEALTH - BIOTERRORISM PROGRAM

241 North Figueroa Street, Suite 209  
Los Angeles, CA 90012  
Attention: Iris Salby  
Telephone: (213) 989-7153

AMENDCD3904.DZ  
06/02/05

### SCHEDULE 3

#### MEDICAL RECORDS AND X-RAY FILMS STORAGE BUDGET EFFECTIVE 8/1/05 THROUGH 7/31/06

Harbor/UCLA Medical Center	\$ 95,018
LAC+USC Healthcare Network	50,000
Martin Luther King/Drew Medical Center	99,820
Olive View/UCLA Medical Center	17,500
Public Health Centers	17,100
Health Services Administration - Fiscal Services - Controller's Division - Consolidated Business Office - Office of Ambulatory Care - Office of Human Resources	72,700
Bio-terrorism Preparedness and Response	<u>50,000</u>
TOTAL	<u>\$402,138</u>

AMENDCD3904.DZ  
06/02/05